



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

October 6, 1998

H.R. 4068

**An act to make certain technical corrections in laws relating to
Native Americans, and for other purposes**

As cleared by the Congress on October 1, 1998

H.R. 4068 would make technical corrections in laws relating to Native Americans. The act would adjust boundaries on reservation lands, transfer certain lands into trust, extend leases on land in Oregon, clarify service areas, disburse interest payments from the San Luis Rey Indian Water Rights Settlement Act, amend the Native Hawaiian Health Care Improvement Act, amend the Jicarilla Apache Tribe Water Rights Settlement Act, and authorize the appropriation of such sums as may be necessary for the Oklahoma City and Tulsa urban demonstration projects under section 512 of the Indian Health Care Improvement Act.

CBO estimates that this act would result in additional direct spending of \$14 million over the 1999-2003 period. However, \$8 million of that spending would likely be offset by savings of future payments that would otherwise be made. CBO cannot estimate the precise timing of those offsetting savings, but we expect that such payments would not occur in the next few years under current law.

Section 10 would amend the Jicarilla Apache Tribe Water Rights Settlement Act to extend the deadline for completing the settlement among the Jicarilla Apache tribe, the state of New Mexico, and the federal government by two years, to December 31, 2000. Extending the deadline would likely result in the expenditure of \$6 million in funds that have already been appropriated for the tribe but that would probably not be spent under current law. Without the extension of the settlement deadline, it appears that no settlement will be completed. Under H.R. 4068, CBO expects that a settlement would be obtained and the funds would likely be spent in fiscal year 2001.

Section 11 would amend the San Luis Rey Indian Water Rights Settlement Act to disburse \$8 million of accrued interest to five tribes. This spending would likely be offset by savings of future payments that would otherwise be made in absence of H.R. 4068—when the pending settlement is completed. Under current law, the tribes would not be able to draw upon the accrued interest until such a settlement has been completed. Based on information

from the Office of the Solicitor within the Department of the Interior, CBO expects that a final settlement will probably occur within the next 10 years. Although it is possible that the settlement could happen at any time, CBO believes that it is unlikely to occur in the next few years. Thus, authorizing the disbursement of the interest income would speed up the spending of that income. Based on information from the Bureau of Interior Affairs (BIA), CBO estimates that disbursement of the \$8 million in interest would occur in one lump sum in fiscal year 1999. The net effect of these provisions on direct spending is summarized in the following table.

	By Fiscal Year, in Millions of Dollars									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays	8	0	6	a	a	a	a	a	a	a
Changes in receipts					Not applicable					

a. The legislation would trigger direct spending of about \$8 million in 1999, but these costs would be offset by savings in subsequent years from payments that would otherwise be made in the absence of H.R. 4068. CBO cannot predict the precise timing of such payments that would be required if H.R. 4068 is not enacted, but we expect that the settlement leading to those payments would not occur in the next few years.

The CBO staff contact for this estimate is Kristen Layman. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.